How to Submit a Proposal for a Research and Promotion Program

A complete proposal submitted to USDA should include an overview of the industry and address objectives and details of the proposed program. Specific requirements are listed below. Contact the Research and Promotion Branch of the Fruit and Vegetable Programs for additional guidance at any time before the proposal is officially submitted.

- 1. Industry Analysis: Develop a profile of the industry, including such information as the volume, value, and geographic distribution of domestic production; the volume, value, and countries of origin of imports; and the number of large and small businesses.
- **2. Justification:** Determine the justification for a national program. Address questions, such as:

What marketing problems exist (e.g., declining sales or prices, lack of industry price support programs), and how would a national program address these problems?

What alternatives were considered and why were they rejected?

How much income could the program expect to generate at the optimum assessment rate?

How much would it cost to administer the program, including Government reimbursements (user fees)?

After program administration costs are paid, how much funding would remain to finance the program?

Could an effective research and promotion program be conducted with the remaining funds?

- **3. Objectives:** Identify what the industry expects to achieve through the program.
- 4. Impact on Small Business: Describe how the program's reporting, record keeping, and other compliance requirements would affect small businesses. The description should include an estimate of the types of small businesses that would be subject to the order and the type of professional skills necessary to prepare reports and otherwise comply with the program. This analysis should describe each compliance requirement, including the payment of assessments, and estimate the costs, comparing large and small entities. Distinguish initial costs from recurring or operating costs and indicate where different compliance requirements may be necessary for small businesses. In addition, identify all relevant federal rules that may duplicate, overlap, or conflict with the proposed program.

- **5. Industry Support:** Determine the level of industry support for the program. USDA will not consider a proposal for which there is not substantial industry support.
- **6. Text of the Proposal:** Draft the text for the proposed order. It should provide the details of the proposed program. Address all aspects of the program, such as who would pay the assessment (e.g., producers, first handlers, processors, importers); what the assessment rate would be (amount per unit of trade) or a maximum assessment rate, and whether small businesses would be exempt and, if so, the exemption level. An outline is attached for your convenience.
- **7. Submission:** In summary, the package submitted should include: (1) industry analysis; (2) justification; (3) objectives; (4) impact on small business; (5) evidence of industry support for the program; and (6) the text of the proposed order. Submit the completed package to the Administrator of AMS at the following address: Administrator, Agricultural Marketing Service, USDA, STOP Code 0201, 1400 Independence Avenue, S.W., Washington, D.C. 20250-0201.

Important: Once the proposal is published in the *Federal Register*, *ex parte* communication about the substance of the proposal between any U.S. Department of Agriculture representative involved in the decision process and interested persons about the substance of the proposed order is prohibited. Discussion about procedural matters and status reports are permitted.